

# **REGULAR MEETING NORTH SMITHFIELD TOWN COUNCIL**

**OCTOBER 20, 2014**

**KENDALL-DEAN SCHOOL AUDITORIUM**

**6:45 P.M.**

## **OPEN FORUM**

### **Town Council Actions**

**Ernest Alter - Sovereignty rests with the people. The Town Council has to meet the demands of the people but must follow rules of law with the Constitution and the Declaration of Independence being the guidelines.**

**Environmental violations at Dowling Village could have been avoided had the town not violated the comprehensive plan and state law.**

### **Referendum Bond Issues**

**David Lowe was displeased that Mr. Flaherty appointed himself as the leader of the task force. The bond has been chopped from one question to three questions. He also felt that the application for RIDE reimbursement was mishandled.**

### **Charter School**

**Glen Boisvert of 28 O'Donnell Avenue had questions on the proposed charter school and wondered where the Town Council members stood. He did not want his tax dollars being sent to Woonsocket.**

**Mr. Yazbak had testified in front of the Rhode Island Department of**

**Education last week as an individual. The financial impact to the town, if we supply the 25 percent, is approximately \$1,066,000.**

**Claire O'Hara commented that most people from North Smithfield that she has spoken to are not in favor of the mayoral academy. The welfare of all must be considered, not just a few.**

### **School Bond Issue**

**Michael Clifford is perplexed by the opposition. He questioned what would be the alternative if the bonds do not pass because the School Department has presented a five-year capital request for Halliwell School alone of \$12,179,866.**

**MOTION by Mr. Zwolenski, seconded by Mr. Yazbak, and voted 4 to 0 on a roll call vote to continue the Open Forum until 7:15 P.M. if necessary.**

**Mr. Lindberg stated the requests for improvements and science labs have been submitted for eight years and he is concerned that some repairs are necessary.**

### **Charter School**

**Christine Bonas also attended the RIDE hearing and presented a School Committee resolution in opposition to sending North Smithfield students to the academy. She was disappointed that the Town Council had not chosen to vote on a similar resolution. Mr.**

**Flaherty responded that he had requested a resolution from Administrative Assistant Sherry McGahan and forwarded it to the other Council members, asking if anyone chose to sponsor it. No one did.**

**Mr. Yazbak responded that he had talked to Mr. Flaherty about putting the issue on an agenda, but by that time the period for public comment had passed. Although he and Mr. Flaherty disagreed on the practice, Mr. Yazbak, when he was Council President, would just add an item presented by anyone related to town government to an agenda regardless of sponsorship.**

**William Nangle of 3 Indigo Farm Road claimed he would not support a Charter School as \$1.7 million is not an inconsequential amount. The money follows the child. If the town is spending hundreds of thousands of dollars for a student to attend a charter school, we are not lowering the cost of education for kids attending North Smithfield schools.**

## **REGULAR MEETING**

**The regular meeting began at 7:09 P.M. with the prayer and the pledge to the flag. Council members present were Mr. McGee, Mr. Yazbak, Mr. Zwolenski and Mr. Flaherty. Ms. Alves notified Mr. Flaherty that she would be unable to attend this evening. Town Administrator Hamilton and Town Solicitor Lombardi were also in attendance.**

## **RECONSIDERATION OF VOTE ON STAGE II RIDE APPLICATION**

**Mr. Yazbak read the following email addressed to Superintendent Lindberg from Mr. Yazbak into the record: “Please be advised that the Town Council took action on a Phase II RIDE application last Monday evening October 6. Please be advised that I have asked that the motion, which did pass, be “reconsidered”. Attached is a letter dated October 2 from Chair Lafleur. Although this letter was discussed at the Town Council meeting and referenced that it was contained in the Town Council Meeting Packet prepared October 2nd, it was NOT and this fact has been confirmed by the Town Clerk as she received the letter late morning on October 3, 2014 well past the packet preparation time approximately 24 hours earlier. The letter was emailed, however it did NOT garner my attention as I field over 100 emails on an average day. Please be advised that the letter was not read in its entirety by the presenter. The last paragraph was omitted. When I finally went back to find the letter Tuesday, I noticed the last paragraph was NEVER discussed when we deliberated the question. If this Town Council member had ALL of the information at the time of the motion and vote I believe I may have acted differently, and maybe others will be of like mind. Anyways, this is the reason the PHASE II has been asked to be reconsidered by this Town Councilor. Which brings me to another request of you (Hopefully my last, but I cannot guarantee). Can you attend the October 20 Town Council Meeting to discuss this Special Election Requirement (will be first on the agenda as dictated by Council rule) OR If you cannot make the meeting, could you please provide a “plain English” explanation prior to the Packet for the next meeting being prepared**

**(Deadline NEXT Wednesday October 15 to the Town Clerk) OR BOTH.  
Thank you in advance for your consideration. Ed Yazbak”**

**Mr. Flaherty noted that he forwarded the letter to the Clerk within five minutes of receipt and the Clerk forwarded to the rest of the Council within ninety minutes.**

**MOTION by Mr. Yazbak and seconded by Mr. McGee to reconsider the vote for the Stage II RIDE application. Roll call: Mr. McGee - no; Mr. Yazbak - yes; Mr. Zwolenski - yes; and Mr. Flaherty - no.**

**Because there was some confusion about the question and an objection was raised, the Council members were asked by the Clerk if anyone wished to change his vote. Mr. McGee responded that he would like to change his vote to yes. The motion passed 3 to 1.**

**MOTION by Mr. Yazbak and seconded by Mr. McGee to approve the Stage II RIDE application in the amount of \$31,800 with discussion.**

**It is Mr. Yazbak’s understanding that the Stage II application, according to state law and RIDE regulations, has to be completed before voted on by the voters. If, on November 4th, taxpayers fund the bond issue, the question will have to be presented again in a special election sometime early next year in order for the state to appropriate the funding. Mr. Yazbak has done some research on the financial aspect and found the cost “savings” to the “average”**

homeowner, if RIDE funds the project over 20 years, is \$453.33. The technical aspect was never discussed either. If Halliwell School is to be abandoned, Stage II needs to be approved.

Mr. Yazbak also referred to a letter written today by David DeQuattro, Principal of RGB Architects, and emailed to Council members late this afternoon. In the letter Mr. DeQuattro states that a meeting was held in April 2014 with a RIDE representative, the School Facility Manager, School Superintendent and the Town Council President to discuss steps and reimbursement policies. Stage 1 was completed and approved April 29th. Stage 2 was scheduled to be approved by the Town Council on May 19th so as to submit Stage 2 by July 21st to RIDE with Housing Aid Reimbursement determined by September. Around May 20th RGB was told to hold on Stage 2. Mr. DeQuattro wanted to confirm that at no time was anyone ever told that Stages of the RIDE process could be bypassed.

Mr. Zwolenski noted that back in May, he made the motion to go forward with the expense of \$31,000 for the application. There was no second. If the bond passes, he does not want to see the town lose \$1.7 million over a procedural error.

Mr. Flaherty stated that when he believes he has done something wrong, he takes responsibility for it but no one can impugn his integrity, his character or his honesty. The day before the meeting of May 19th Mr. Flaherty met with Mr. DeQuattro to try to understand the

**process because Mr. DeQuattro is the expert. Mr. Flaherty apologized if he misunderstood or misinterpreted or heard it wrong.**

**On a roll call vote the motion passed 4 to 0.**

**Five minute recess from 7:59 P.M. to 8:04 P.M.**

### **EAGLE SCOUT PRESENTATION - N. Richardson**

**Since Nicholas was unable to attend this evening, the Clerk was asked to reschedule to either November 3rd or November 17th.**

### **DOWLING VILLAGE**

**Mr. Flaherty recused from this discussion.**

**Attorney Nicholas Goodier, representing Mr. Bucci, the developer of Dowling Village, objected to the workshop because he feels it is a frivolous complaint. Documentation indicates the developer is well on the way to compliance of all Department of Environmental Management violations.**

**Mr. Lombardi agreed the issues are DEM issues and the town has no jurisdiction over those but he does feel the Council members do have jurisdiction over any violations of the Master Plan, recorded plan or public safety issues.**

**Len Bradley, Professional Engineer with DiPrete Corporation, was**

present but made it known he finds it difficult to respond to anything because he has received no written violation from either the Valley Alliance or the town. He has addressed DEM concerns.

Attorney Christopher D'Ovidio, representing the Valley Alliance, noted a complaint was lodged on September 25, 2015. The basis of the complaint is derived under the Land Development/Subdivision regulations. One aspect of the Final Plan Approval was that Dowling Village would comply with all provisions of DEM wetland regulations. Mr. D'Ovidio stated that the developer has failed to do so. Mr. D'Ovidio listed several areas of non-compliance on the part of Dowling Village. He also referred to a letter from DEM stating the town does have jurisdiction, with DEM, of stormwater protection issues.

Dr. Caroly Shumway of the Valley Alliance stated both the town and the developer knew the area around Dowling Village was environmentally sensitive and regulations have been violated. She is asking the Town Council and the Planner to remediate any and all damage that has been caused, including damage to Booth Pond.

Town Planner Robert Ericson commented that right now the town does not have violations, it has non-compliance.

Mr. Bradley reiterated that he has met with DEM representatives and he has completed a thorough response to them regarding the issues



that were raised. State of the art technologies have been employed. A lot of the site has been graded, restructured, stabilized and the amount of silt fence that was needed in 2008 is not needed today. There have been no sediments that have entered any of the biological wetlands and there have been hardly any sediments that have gone into the perimeter wetlands. There has, however, been a dust issue. There are multiple contractors on the site and they each have their own techniques and dust can be very challenging. But even with the dust, there has been no degradation proven to have occurred to the wetlands. The stormwater policy is fairly new and a lot of the contractors are still being educated about it.

Mr. Lombardi felt the town should wait to see what DEM would do. If the town is not satisfied, then the issue could be pursued further. He did not think the Town Council should take action at this time.

Mr. Zwolenski asked Ms. Hamilton if she would have Mr. Ericson visit the site to be sure that the final plan is being adhered to and he would like in writing a definitive time table for the non-compliance issues to be addressed.

## **EXECUTIVE SESSION**

**MOTION** by Mr. Yazbak, seconded by Mr. McGee, and voted 4 to 0 on a roll call vote to enter into executive session at 9:16 P.M. pursuant to RIGL 42-46-5(A)(2) Sessions pertaining to collective bargaining or litigation, or work sessions pertaining to collective bargaining or

litigation to discuss a report by Nicholson & Associates, LLC re: tax abatements/tax assessor's department and pending pension litigation.

MOTION by Mr. Yazbak, seconded by Mr. Zwolenski, and voted 4 to 0 on a roll call vote to come out of executive session at 9:34 P.M. but to reserve the right to re-enter executive session later if necessary and to seal the minutes. No motions were made and no votes were taken.

#### **NICHOLSON & ASSOCIATES REPORT REGARDING TAX ABATEMENTS/TAX ASSESSOR'S OFFICE**

Mr. Nicholson: My name is Richard Nicholson of Nicholson Associates. We've been engaged to look at the 2013 abatements and reasons behind the 2013 abatements. I do realize the anxiety associated with this. It's taken us some time to delve into the issues. There is much we have uncovered and I need to be careful as some things we have addressed and uncovered may concern issues of litigation and that should remain in executive session per my advice and the advice of the solicitor. As a preface to the oral presentation this evening regarding the interim report regarding the 2013 abatements, it's important to note at the outset of this report that we have detected no findings of willful or nefarious activity. If we had, we would have brought it immediately to the attention of the Council. However, what we have noted and we did find is negligence, which may be defined as carelessness, laxity and abandonment of responsibility. We note negligence at all levels starting with the

**Board of Assessment Review and whether or not the Council should have voted on payments for prior years down through the administration, particularly the finance department, the finance director and your tax assessor or assessors. We conducted our review of 2013 abatements that were subject to Council consideration on June 2014 and we reviewed individual abatements in asking if proper procedures were followed pursuant to town charter, ordinance and Rhode Island General Law. The first important thing is our finding the Board of Assessment Review did not meet on a regular basis. In fact, the Board of Assessment review is required to post their agenda each and every time it meets. We could not find a record of it going back as far as 2007. The proper procedure is that when a taxpayer wishes an abatement, the taxpayer fills out the proper application as prescribed by Rhode Island law within the relevant time frame. The tax assessor then has the opportunity to say yes or no. Presuming that the tax assessor says yes, I agree with the abatement, it goes before the Board of Review and the Board of Review, after consideration, will make its recommendation. If the abatement is granted, it then goes before the Council for its consideration. Had the process been followed, we probably would not be here today. But the process, in part, was not followed entirely.**

**The abatements that we looked at total \$752,000, less supplemental billings of \$103,000, for a net of approximately \$649,445. We broke these down into eight major categories and if you want to quantify how many abatements, you're looking at roughly 306 items, which are considerable. Of the eight items, we looked at duplicate billings, of**

which there were nineteen abatements totaling \$234,386. Double billing, should be abated. Looked at Interstate Trucking and tax exemptions. Fifteen abatements in total, totaling \$171,736. That's \$406,000 in total now out of the net \$650,000. We have overvalued real estate with 55 abatements totaling \$136,000 and then the next largest category which we refer to as miscellaneous but it includes tangible taxes on businesses that have gone out of business, billings to the wrong account. Thirty-three abatements in total amounting to \$96,549. The remaining four items one being trailers, campers and buses, 72 abatements totaling to \$76,000+/-, senior exemptions, veteran exemptions, exemptions for the blind, 28 abatements \$220,938, VVC errors, 41 abatements totaling \$10,946 and DMV errors totaling \$6,430. There were a lot of documentation issues that we noted. There were notes in the system regarding the abatements but we had a difficult time finding a lot of the documentation whether it's the appeal form or paperwork supporting the decision of the assessor. Now that's not to say that all lacked documentation. I would say about twenty to twenty-five percent lacked documentation and again if it went before the Board of Assessment Review, the Board of Assessment Review would have to rely on a record to make this recommendation. At the heart of the breakdown in the process, other than the Board of Assessment Review not meeting, is the volume that the then assessor had to consider. It was just a monumental task to process all these abatements. Overwhelming perhaps. At the beginning of the tax roll, the one that was abated, if you will, the roll was certified by the prior assessor. When a tax

assessor certifies a roll, the assessor verifies the accuracy and validates the system before locking the system. There are basic steps that could have been taken to avoid an erroneous tax roll, like double billing. You're dealing with \$234,000 and maybe to explain the process, here you have a Northeast Valuation program database which is . . . You look at the tax roll in total and you compare it to the prior roll, Mr. Yazbak mentioned earlier valuation is valuation, it doesn't necessarily change all that much unless you have a new plat development, a new subdivision. For the most part materially it's still there in check. In our opinion even the basics weren't attempted before the roll was certified. So we end up with an erroneous tax roll that requires a lot of work. What we do know, and most towns follow, is when the tax roll is certified, a hard copy is printed. Why? Because it's easy to pick up a printed tax roll, it's part of your fixed record and it allows your tax assessor, the tax collector frankly to go back and look at the actual bill. More concerning is that the Opal system, which is your billing system, was not locked. The system you can lock. Once you certify the roll you can lock it. The system was not locked. Which means that anyone can go into the system after the fact and change the tax roll. It adds to the confusion particularly when you look at the lack of internal controls, lack of checks and balances within the tax assessor's office. We also noted material weakness in the user password protection arena. People using the same password, accessing the assessor's audit trail. The system has a feature called audit trail where if everyone had their own password, you would be able to see what changes, when. Audit trail

wasn't turned on. With that said, audit trail is on now. The new tax roll that was recently certified is locked and it's on a go forward basis, we shouldn't have some of the issues concerning who's responsible and who's accountable when changes are made in the tax roll. I'll give you another example of breakdown in internal control and reporting functions. The Town of North Smithfield doesn't record accounts receivable, tax accounts receivable when those go up. Mr. Yazbak's an accountant and when a bill goes out, you debit accounts receivable and you credit tax revenue. This is a major internal control weakness. What happens is when a taxpayer pays their bill, cash comes in and the account is credited. They definitely cash is debited and the receivable that should have been there, or I should say, cash is debited and tax revenue is then credited at that point in time. It's amazing that the town doesn't have an aging accounts receivable report at the end of each month to reflect and see what accounts are delinquent and how it's aging. Your auditors, what they would do, is they would take your prior year a/r balance per the financial statements, add the new tax roll, less what was collected and that would be your ending a/r balance. And that's not . . . accounts receivable should be maintained. And in meeting with your current auditors, they agree with our position that this is a material internal control weakness. One thing that concerned us a lot, and one reason why we opened up our ... back to 2005, early on we were provided a schedule showing that the abatements on average, dating back to 2005, were approximately \$100,000. So \$100,000 pretty much on average which, at first blush, made a whole lot of sense to us

particularly with your audited financials. As the reserve for . . . was \$100,000. When we delved into the system we noted on average since 2005 it's not \$100,000 a year. It's closer to \$222,000 a year. To shed more light on that the \$100,000 a year is the amount that the Town Council approved for abatements per your minutes. That tells me that there's an additional \$222,000 a year that you have no knowledge of. . . . in the system, you don't know about it and your prior auditors didn't pick it up. And they should have. There's a lot more I can say . . . concerns . . . when I talk about third party vendors. All of our findings will be delineated in our final report. A lot of the findings we have will be . . . for discussion as to what the town has for recourse and I need to be very careful at this juncture not to go down a path that deserves discussion in executive session as it will compromise the Council in its position regarding how . . . some of these financial consequences associated with negligence. Something I would like to talk about and it's more the organizational behavior of the tax assessor department . . . finance function. The finance director and your tax assessor and tax collector work out of two different buildings. They should not. They should be in the same building. The finance director should know at all times where the staff are, what they're working on . . . provide a list of items that need to be completed on any given week or month and there needs to be that accountability. What we found is the tax assessor and the finance director pointing fingers at each other. It's a breakdown. It's a breakdown in oversight. It's a breakdown of the organizational environment. I do have grave concerns regarding qualifications. I

will say that it's not easy hiring people, particularly qualified people for positions in finance. We have looked at personnel records and many of the records are sparse. We requested copies of resumes again to ascertain whether certain individuals are capable or have the qualifications to do the job that they've been hired to do. And one of our recommendations is, we have a whole list of recommendations, they'll be coming out, is when the town hires a person, particularly in the finance office because that's what we're focusing on, that the personnel commission or some body be convened to vet applicants, to ask the relevant questions to insure that that person who is about to be hired has the requisite skill sets to do the job. Compensation, candidly, of these individuals, that's a concern of mine. It's hard to get good qualified people if you don't offer a competitive pay rate. Training. Evaluations. These things need to be an ongoing mantra in the finance department which doesn't exist. At this juncture we are waiting for some additional information. A lot of the information we requested has started to flow in the last week or so which is good for us as we are welcoming the opportunity to wrap up this report. We have put in well over our estimated hours but we feel that we will bring this to a conclusion where we're giving the Town Council and the taxpayers of this town a comprehensive report so not only will they know why this happened but what things, what initiatives, what procedures or protocols they can put in place to avoid this going forward. Are there any questions, I would be happy to.

Mr. Flaherty: Just for clarification, I believe I heard you say your



research went back to as far as 2005?

Mr. Nicholson: Correct.

**MOTION by Mr. Zwolenski, seconded by Mr. Yazbak, and voted 3 to 1 on a roll call vote at 9:59 P.M. (Mr. Flaherty voted no) to extend the meeting to 10:30 P.M.**

**MOTION by Mr. Flaherty, seconded by Mr. Zwolenski, and voted 4 to 0 on a roll call vote to extend the meeting to 10:15 P.M.**

Mr. Flaherty: What I'd like to focus on are what our next steps are, getting the written report, how that's transmitted and whether we need to review what the original agreed upon procedures were, maybe not, sounds like you already covered it. So could you just elaborate on.

Mr. Nicholson: Procedurally we anticipate, based upon the information we received in the last week or so, your current auditors have been helpful in providing information from your prior auditors. We hope to wrap up a draft of this report for Council consideration in the next two weeks. As part of the agreed upon procedures, the Council may decide that we expand our scope into a particular area. And that's kind of the essence of . . . procedures. Here's our report. Here's the things we agreed to do and the Council can . . . under the engagement flat fee may require us to do a little more drilling, a little

more work and expand some of our efforts. We're looking at about two weeks to take what we have and put it in what we think would be a draft of our final report subject to expanding the scope of . . .

Mr. Flaherty: Just to put it in context and I know we've discussed this a number of times not discussed it but we've at least exchanged information about it. This Council has two more meetings to go, one on November 3rd and one on November 17th. There's some folks here who are going to be taking some of these seats so I'm glad that they're here to hear this but I'm trying to get a sense as to what kind of closure do you think that this Council can bring to this issue before our term expires which the last meeting is tentatively scheduled for, it is scheduled for November 17th.

Mr. Nicholson: I would welcome the opportunity to come before the Council at the next meeting and talk about some of our specific recommendations whether it's to . . . convene a personnel commission to vet certain positions. I understand pursuant to your town charter certain positions cannot be terminated at will. You need to have cause and that cause has to be willful conduct at some level, willful's the standard, and that person needs to be charged and afforded the opportunity to be heard before the Council. That said, my recommendation is whomever the Town Administrator is that the position of finance, the positions in the finance department be considered through a personnel commission and all the applicants apply and vetted as a new hire which is what will happen if a new

town administrator is elected or should the town administrator be reelected, she will have that opportunity to appoint or not appoint . . . but with that said, applicants should be vetted.

Mr. Flaherty: I also would just like to make sure that before we adjourn for the evening, we did have two sub-items on this agenda item which is the one that we're discussing right now and I expect we'll continue to discuss and we also have discussion by Council on year-end financials and I know that goes hand in hand with this report and I know that a lot of people are eager to know so what is the impact of all this. I know it's a very complicated problem that we have, I think it's being dealt with but I think that to leave this evening not having some understanding of the order of magnitude and what that means because there's all sorts of conjecture about what it means and I just think that should be briefed before we adjourn in ten minutes.

Mr. Nicholson: We've had some preliminary discussions with your current auditors. We have noted that it appears relevant to the last tax roll that we have an influx of abatements of approximately \$190,000, \$174,000. Now only a few months have gone by and there's some concern as I stand here today that that number could just grow.

I can say that the abatements that were presented to this Council in June and the representation made by the tax assessor at the time saying that a lot of the problems were fixed, that is exemptions that should carry through but were billed erroneously had been corrected,

whether senior, blind, interstate trucking, we didn't see a lot of those . . . which obviously raises concerns as I stated here tonight. With that said you've had a consultant working for the town and he believes, that's Allan Booth, that he may have made those corrections. To be determined. The fact that \$174,000 give or take has come through so far concerns me and concerns the auditors. The auditors are going to expand, they've already decided to expand their scope to be more substantive testing so when you do issue your financial statements, it is going to be financials that fairly represent the financial condition of this town. . . . So in conjunctions with your auditors when you get your final audited numbers I think you'll be able to rely on them as a final.

**Mr. Flaherty:** Any questions?

**Mr. Yazbak:** Mr. Nicholson, you mentioned that there was some things that were delaying you. About a week ago some items that hadn't been provided by the administration, there also was some items that hadn't been provided by the prior accountants. Are you saying now that you've gotten the information that you've requested since the last detail in an email about a week ago from the administration and you've gotten them from the prior accountant or the current accountant has gotten them from the prior accountant and is forwarding to you? What's the current status of. Do you have enough to finish because you said you want to come back here November 3rd with the final report. Do we have enough to finish so

that you will get to the final report because I understand this is what's delayed us to here.

Mr. Nicholson: The answer is yes and just so the Council's aware how we approached this engagement in part is when we asked for certain information, we did it in a context of negative confirmation versus affirmative confirmation rather . . . what we asked was, give you an example. Give us an agenda, give us a list of dates and agendas with Board of Review going back to 2005 versus saying we have not been able to ascertain any record, agenda or otherwise, that's required by the Open Meetings law since 2007. Is our finding correct, yes or no. What we wanted to get was here's what we have and then test it. The information we have now, it is what it is as we would say in the office and we have a lot to write up. There's resumes missing for certain positions, they're being . . . there's . . . applications missing. Notwithstanding a representation made that the Board of Assessment Review had met prior to the former assessor, or I should say the assessor that's on administrative leave, and that they've been meeting since the assessor left. We challenged that information and proved, and this will be in the report, that that information was erroneous. The Board of Assessment Review did not meet. And if they did meet then we have an issue with open meetings law which is a violation of state law and it's a matter for the attorney general. But our . . . is they did not meet and I don't think we'd be in this problem today if they had met.

**Mr. Yazbak:** You made mention that the Town Council, well you were provided a document that was entered into the record for the Town Council where the analysis based upon the Town Council minutes that the average abatements from 2005 through 2013 approximated \$100,000. It sounded like your testimony earlier tonight concurs that is all that came in front of the Council was the average of \$100,000; therefore, you then mentioned that in reality the abatements were \$322,000 on average for the last, from 2005 to 13. Is it correct, well obviously that didn't make it to the Council so whoever produced or approved those \$222,000 additional on average abatements each year were acting outside of the scope of their authority is that whoever did that or whyevery they did that?

**Mr. Nicholson:** In my opinion, yes.

**Mr. Yazbak:** Okay. Is part of the reason that happened was because the tax roll was not locked down and the fact that we never booked tax receivables otherwise it would have popped out? It's some anomaly within that process?

**Mr. Nicholson:** The answer. The failure to book accounts receivable it would have been easier for your finance director to ascertain the true collectability of taxes on a more regular basis. One of our recommendations to look for will be that the finance director provides financial statements to the Town Council on a monthly basis and that balance sheet include accounts receivable and an analysis of where

**we are with collection . . . accounts. I think on average the town's collection rate is abysmal compared to other jurisdictions.**

**Mr. Yazbak: Also just to reiterate or just to make clear, the tax assessor who's currently on paid administrative leave has not certified the tax roll for this year 2014/2015?**

**Mr. Nicholson: That's correct. That was certified by the then consultant, Allan Booth.**

**Mr. Yazbak: Who certified the year before, the year in which the \$750,000 issue came to light?**

**Mr. Nicholson: That would be the prior assessor, Chris Belair. Tammy Boss was hired on or about March of 2013. Chris Belair did not leave the town until July after the roll was certified. So you had two tax assessors, if you will, in the office. Now, there's finger pointing going back and forth. At the end of the day, the person who puts their signature on that roll, who certifies it, is responsible for that roll. It wasn't Tammy Boss.**

**Mr. Yazbak: Having said that, you also gave testimony earlier that besides the \$750,000 issue, which is a net of \$649,000, we're working on \$174,000 for the current year and we don't know where the end is in sight.**

**MOTION by Mr. Yazbak, seconded by Mr. Zwolenski, and voted 3 to 1 (Mr. Flaherty voted no) on a roll call vote at 10:14 P.M. to extend the meeting to 10:30 P.M.**

**The meeting adjourned at 10:15 P.M.**

**Respectfully submitted,**